

Memorandum



99-4
942.3

DATE: January 7, 1987
TO: Lynn Davison *Lynn Davison*
FROM: Tim Croll
SUBJECT: Change Order for Sunohio Contract

I would like to summarize some issues which arose in regard to the Sunohio contract. Several changes caused by the City have increased Sunohio's costs, for which I believe it is appropriate for City Light to recompense Sunohio by a change order.

The first item has to do with Fire Department requirements. On their last trip to Canton on September 24, the Fire Department set out its requirements for the entire project, including the sodium storage trailer. The original requirement was for a nitrogen initial flood of 100% of the trailer volume with a further bleed of 50% of the volume. On October 28 the Fire Department increased the amounts to 200% and 100% respectively. Sunohio has informed us that this additional requirement will raise their costs about \$3000 for extra nitrogen tanks and valving. Just as we adjusted the contract amount with purchasing on October 1 for the changes arising from the Fire Department's visit of September 24, I believe that it is legitimate for the City to pick up the cost for these additional changes.

The second item concerns the costs of moving the concrete barriers and paving of the sidewalk at the plant. City Light never made a general statement to bidders that the LUSP sidewalk was over an areaway and not on grade. In fact, the drawing which shows the areaway was not among those provided to Sunohio or listed in the purchase contract. Our Engineering Division has informed me that Sunohio could not have been expected to know or suspect that there were any load bearing problems on the sidewalk.

On October 1, while at the site, I informed Sunohio that the areaway was present and that City Light would get back to them if there were any load-bearing problems associated with this. It was not until the afternoon of October 30 at a meeting in the City Light building that the weakness of the sidewalk and supporting beams was made fully

Lynn Davison
Page 2
January 7, 1987

clear to Sunohio. This was after the final contract amount had been negotiated and after Sunohio had already set up barriers and done paving over the sidewalk. The only feasible solution was to move the project off of the sidewalk and move into the street. City Light endorsed this move as a reasonable means to keep the project on schedule. By the end of October 30, Sunohio had a revised street use permit and by October 31 they were moving their barriers.

Sunohio estimates the cost of the move to be about \$6,000 dollars (\$12,000 absolute maximum). We believe that the cost is appropriately reimbursable by City Light. When the exact costs are tabulated (incremental subcontractor invoices +15%) Jim Fletcher will forward to Purchasing a request to process a change order.

TC:jf

cc: Croll
Fletcher
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File

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